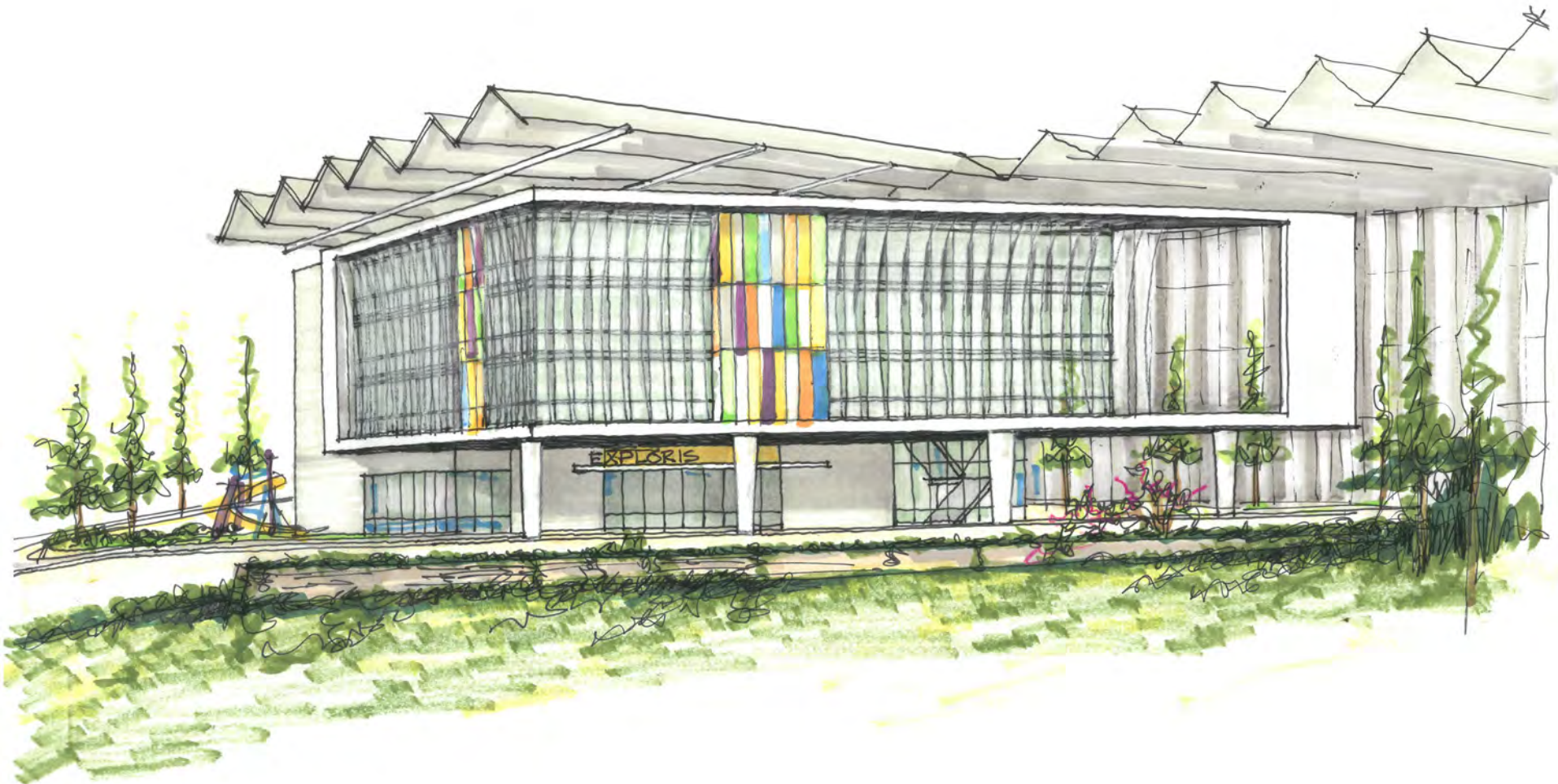


Exploris - New K-8 Facility



Exploris – New K-8 Facility

Options



There were 5 Options previously presented to Exploris however after much consideration CCUD would like to present Option 6.

Option 6 will provide Exploris School with a facility, directly adjacent to the Gateway building, at the lowest possible cost while retaining the “community” benefits of being in the Gateway building. Exploris would own this stand-alone facility located on Kindley Street. Attached are two concepts for the design of the school which would be refined with input of the Exploris School. Together with Exploris, we would analyze the schools financials to determine how much the school can afford to spend and develop a building within that budget. An estimate of costs is attached. To integrate the school into the Gateway building, we propose to facilitate the starting of a student club which would be referred to as the “Energy Wise Club”. Our facilitator would work with a teacher who was interested in leading the club and the club would use the Exploris Building, as well as the Gateway building, to collect data to be used as the basis of research for competitions that would be completed by the students. Gateway tenants would be encouraged to allow students shadowing opportunities and where appropriate internships. Students, teachers and administrators would have access to the amenities of the Gateway building on a first come, first serve basis. All tenants in the Gateway building and the Exploris building would have parking available in the Gateway parking deck.

PROJECT DETAILS ARE OUTLINED BELOW:

1. Exploris Equity in the project:

\$1,476,000-Approximate value of .44 acres of land transferred to Exploris

\$300,000- Estimated donation from CCUD to Exploris

\$1,776,000 Capital gain by Exploris minus \$822,573.00 (Estimate of the Redemption Payment to Exploris) means the proposal nets Exploris an additional \$954,177.00

\$3,000,000 Tax credit equity (estimated)

\$4,776,750 Estimated Equity of Exploris

2. Estimated Borrowed Amount: \$16,261,328 - \$19,261,328 (Depending on amount of tax credit donation)

3. Estimated annual payment approximately: \$1,129,000 (for 35-40 years). The estimated payment is equal to the base year lease payment in our lease agreement for Year 1 of the lease. There is a significant advantage to Exploris having a fixed debt payment versus a lease payment that increases each year. The annual payment amount and thus the borrowing capacity of Exploris are subject to final underwriting and credit approved by the banking team.

Exploris – New K-8 Facility

Options

4. Schedule:

- Design-Jan-June 2020
- Permits, pricing and financing-July -August 2020
- Start Construction -Sept 2020
- Complete Construction-Nov 2021

5. All old contracts would be void, CCUD would give Exploris proposed parcel of land in exchange for its profit share of the “remaining land”. CCUD would still match donations received by Exploris (We have not been told how much money was raised but we have heard its around \$300,000.00)

Advantages of this solution:

- Lower annual cost
- Lower total cost
- Faster delivery
- Eliminates risk of finding reasonably priced land
- High profile location
- DOT has already approved the cueing lanes which could take a significant amount of time on another site
- Exploris will own the building
- Fixed annual debt service payment
- Debt payment will be based on tax-exempt interest rates

Disadvantages of this solution:

- The Exploris building cannot start construction until the City Gateway building starts construction.
- While we have no reason to think Exploris may not qualify for a loan sufficient to build the building, credit worthiness is a risk.
- Amount of tax credit donation will impact the loan amount and the duration of the financing.

Exploris – New K-8 Facility

Exploris Charter School - Comparison between Lease and Purchase of New School



35-Year View

| Annual Avg. Adjustment - 2.00% | | |
|--------------------------------|---------------|---------------|
| Years | Lease | Purchase |
| 1 | \$ 1,129,000 | \$ 1,129,000 |
| 2 | \$ 1,151,580 | \$ 1,129,000 |
| 3 | \$ 1,174,612 | \$ 1,129,000 |
| 4 | \$ 1,198,104 | \$ 1,129,000 |
| 5 | \$ 1,222,066 | \$ 1,129,000 |
| 6 | \$ 1,246,507 | \$ 1,129,000 |
| 7 | \$ 1,271,437 | \$ 1,129,000 |
| 8 | \$ 1,296,866 | \$ 1,129,000 |
| 9 | \$ 1,322,803 | \$ 1,129,000 |
| 10 | \$ 1,349,260 | \$ 1,129,000 |
| 11 | \$ 1,376,245 | \$ 1,129,000 |
| 12 | \$ 1,403,770 | \$ 1,129,000 |
| 13 | \$ 1,431,845 | \$ 1,129,000 |
| 14 | \$ 1,460,482 | \$ 1,129,000 |
| 15 | \$ 1,489,692 | \$ 1,129,000 |
| 16 | \$ 1,519,485 | \$ 1,129,000 |
| 17 | \$ 1,549,875 | \$ 1,129,000 |
| 18 | \$ 1,580,873 | \$ 1,129,000 |
| 19 | \$ 1,612,490 | \$ 1,129,000 |
| 20 | \$ 1,644,740 | \$ 1,129,000 |
| 21 | \$ 1,677,635 | \$ 1,129,000 |
| 22 | \$ 1,711,187 | \$ 1,129,000 |
| 23 | \$ 1,745,411 | \$ 1,129,000 |
| 24 | \$ 1,780,319 | \$ 1,129,000 |
| 25 | \$ 1,815,926 | \$ 1,129,000 |
| 26 | \$ 1,852,244 | \$ 1,129,000 |
| 27 | \$ 1,889,289 | \$ 1,129,000 |
| 28 | \$ 1,927,075 | \$ 1,129,000 |
| 29 | \$ 1,965,616 | \$ 1,129,000 |
| 30 | \$ 2,004,929 | \$ 1,129,000 |
| 31 | \$ 2,045,027 | \$ 1,129,000 |
| 32 | \$ 2,085,928 | \$ 1,129,000 |
| 33 | \$ 2,127,646 | \$ 1,129,000 |
| 34 | \$ 2,170,199 | \$ 1,129,000 |
| 35 | \$ 2,213,603 | \$ 1,129,000 |
| 36 | \$ 2,257,875 | |
| 37 | \$ 2,303,033 | |
| 38 | \$ 2,349,093 | |
| 39 | \$ 2,396,075 | |
| 40 | \$ 2,443,997 | |
| 41 | \$ 2,492,877 | |
| 42 | \$ 2,542,734 | |
| 43 | \$ 2,593,589 | |
| 44 | \$ 2,645,461 | |
| 45 | \$ 2,698,370 | |
| 46 | \$ 2,752,337 | |
| 47 | \$ 2,807,384 | |
| 48 | \$ 2,863,532 | |
| 49 | \$ 2,920,802 | |
| 50 | \$ 2,979,219 | |
| Total | \$ 95,490,144 | \$ 39,515,000 |

Note: Assumes 2% annual lease increase

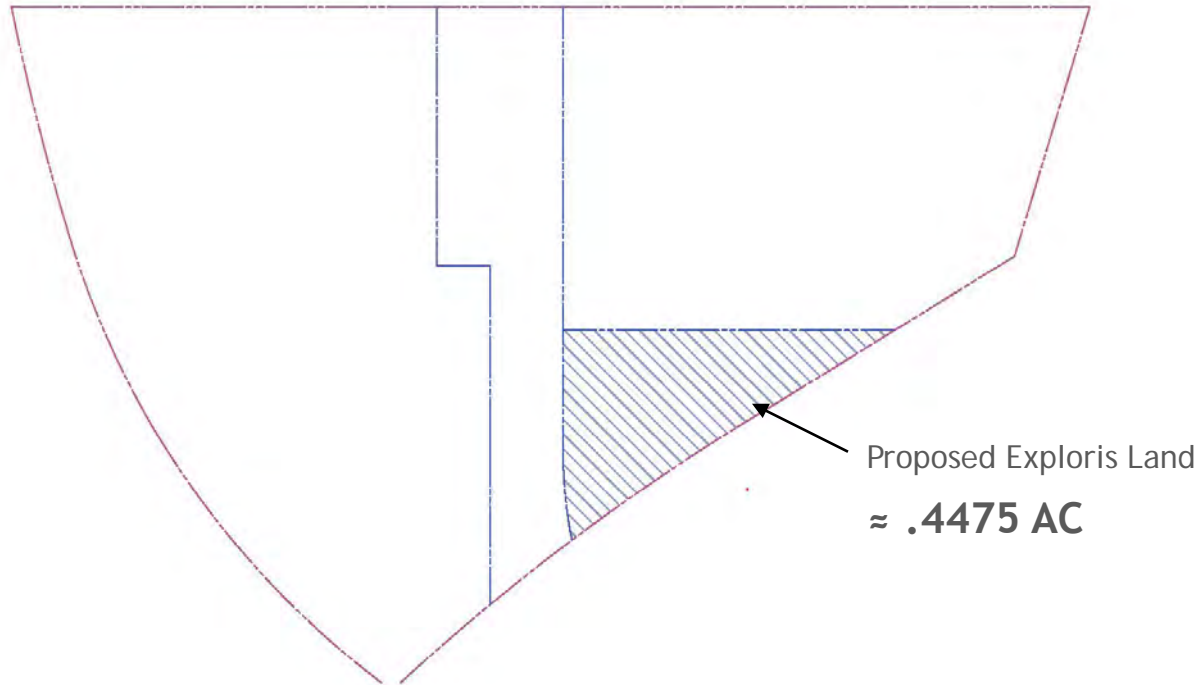
40-Year View

| Annual Avg. Adjustment - 2.00% | | |
|--------------------------------|---------------|---------------|
| Years | Lease | Purchase |
| 1 | \$ 1,129,000 | \$ 1,129,000 |
| 2 | \$ 1,151,580 | \$ 1,129,000 |
| 3 | \$ 1,174,612 | \$ 1,129,000 |
| 4 | \$ 1,198,104 | \$ 1,129,000 |
| 5 | \$ 1,222,066 | \$ 1,129,000 |
| 6 | \$ 1,246,507 | \$ 1,129,000 |
| 7 | \$ 1,271,437 | \$ 1,129,000 |
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| 10 | \$ 1,349,260 | \$ 1,129,000 |
| 11 | \$ 1,376,245 | \$ 1,129,000 |
| 12 | \$ 1,403,770 | \$ 1,129,000 |
| 13 | \$ 1,431,845 | \$ 1,129,000 |
| 14 | \$ 1,460,482 | \$ 1,129,000 |
| 15 | \$ 1,489,692 | \$ 1,129,000 |
| 16 | \$ 1,519,485 | \$ 1,129,000 |
| 17 | \$ 1,549,875 | \$ 1,129,000 |
| 18 | \$ 1,580,873 | \$ 1,129,000 |
| 19 | \$ 1,612,490 | \$ 1,129,000 |
| 20 | \$ 1,644,740 | \$ 1,129,000 |
| 21 | \$ 1,677,635 | \$ 1,129,000 |
| 22 | \$ 1,711,187 | \$ 1,129,000 |
| 23 | \$ 1,745,411 | \$ 1,129,000 |
| 24 | \$ 1,780,319 | \$ 1,129,000 |
| 25 | \$ 1,815,926 | \$ 1,129,000 |
| 26 | \$ 1,852,244 | \$ 1,129,000 |
| 27 | \$ 1,889,289 | \$ 1,129,000 |
| 28 | \$ 1,927,075 | \$ 1,129,000 |
| 29 | \$ 1,965,616 | \$ 1,129,000 |
| 30 | \$ 2,004,929 | \$ 1,129,000 |
| 31 | \$ 2,045,027 | \$ 1,129,000 |
| 32 | \$ 2,085,928 | \$ 1,129,000 |
| 33 | \$ 2,127,646 | \$ 1,129,000 |
| 34 | \$ 2,170,199 | \$ 1,129,000 |
| 35 | \$ 2,213,603 | \$ 1,129,000 |
| 36 | \$ 2,257,875 | \$ 1,129,000 |
| 37 | \$ 2,303,033 | \$ 1,129,000 |
| 38 | \$ 2,349,093 | \$ 1,129,000 |
| 39 | \$ 2,396,075 | \$ 1,129,000 |
| 40 | \$ 2,443,997 | \$ 1,129,000 |
| 41 | \$ 2,492,877 | |
| 42 | \$ 2,542,734 | |
| 43 | \$ 2,593,589 | |
| 44 | \$ 2,645,461 | |
| 45 | \$ 2,698,370 | |
| 46 | \$ 2,752,337 | |
| 47 | \$ 2,807,384 | |
| 48 | \$ 2,863,532 | |
| 49 | \$ 2,920,802 | |
| 50 | \$ 2,979,219 | |
| Total | \$ 95,490,144 | \$ 45,160,000 |

Note: Assumes 2% annual lease increase

Exploris – New K-8 Facility

Proposed Exploris Land

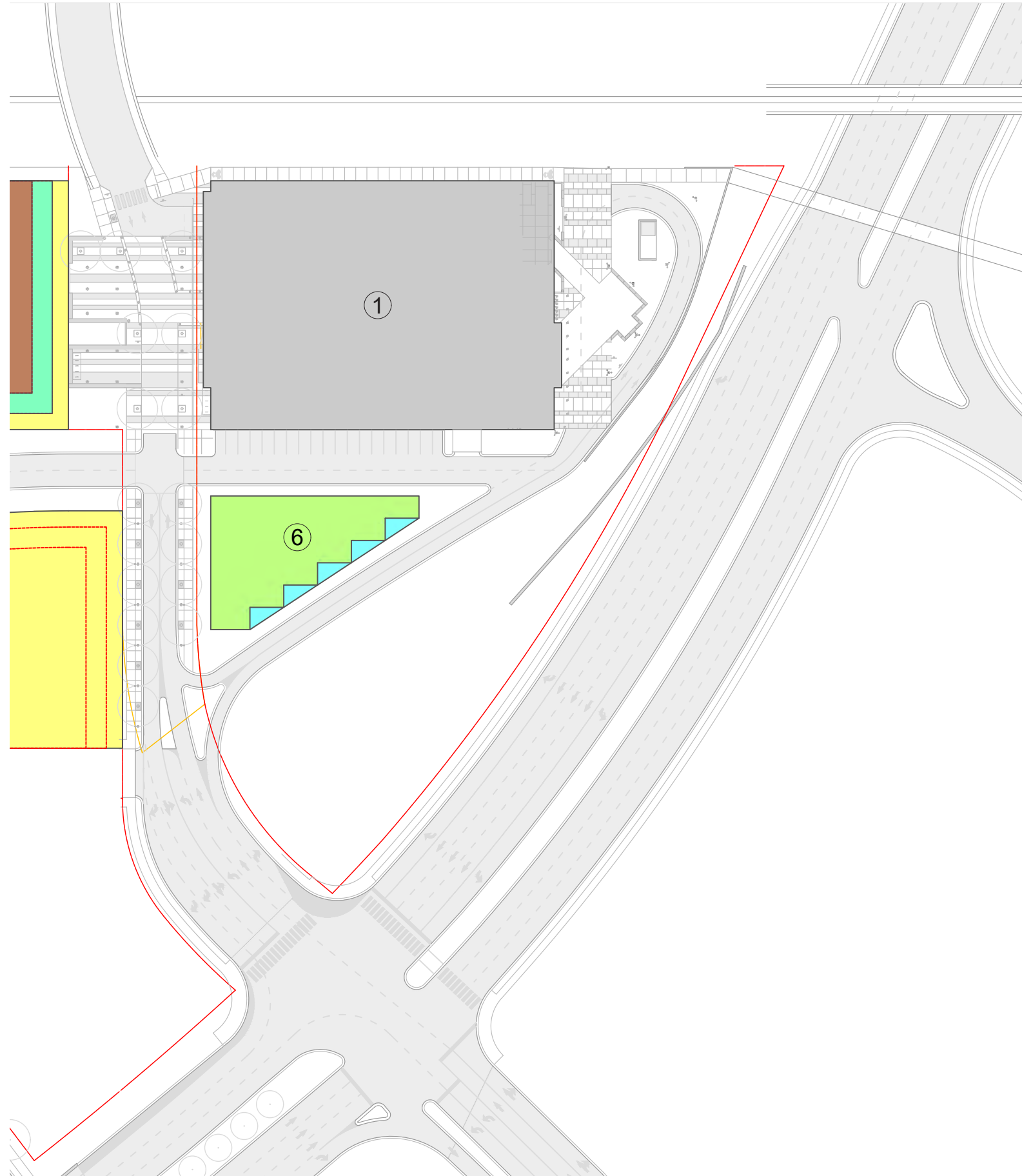


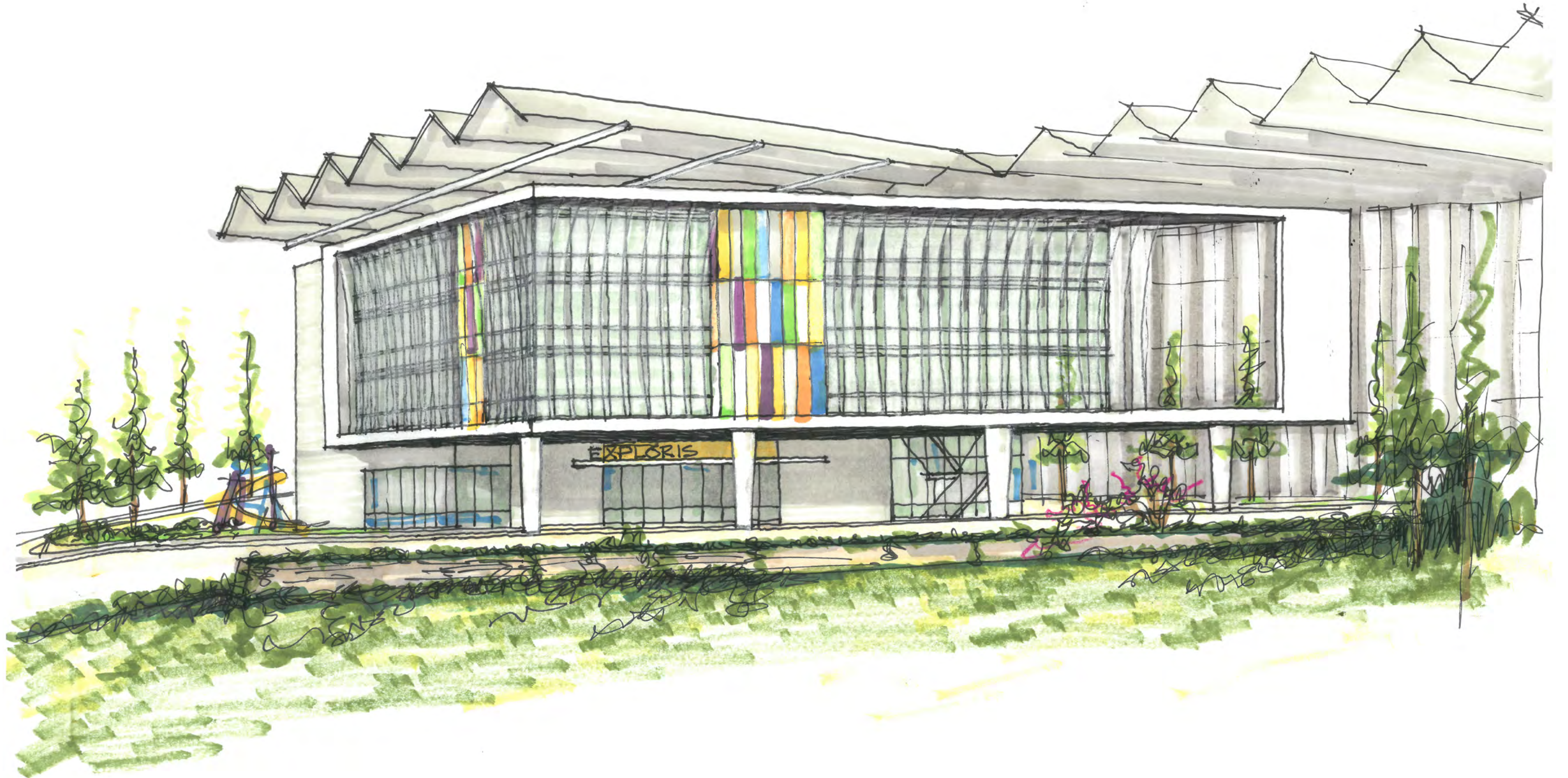
Exploris - New K-8 Facility

Exploris to Own New Building and Land on Kindley Street Property

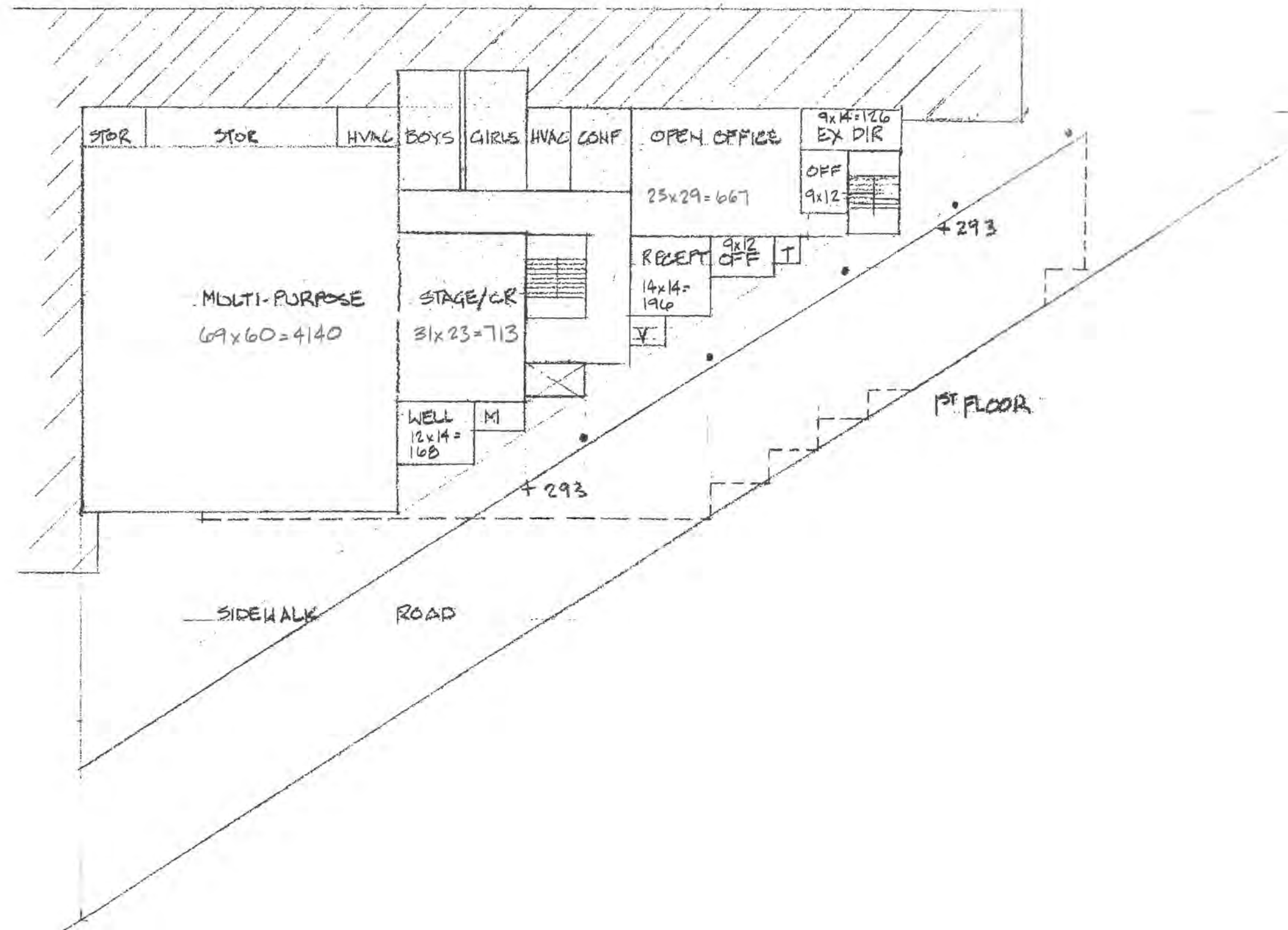
| | UNITS | COST/UNIT | COST | TOTAL COST |
|---|-----------------|-----------|-----------------|------------------------------------|
| Surveys/Borings | | | \$30,000.00 | |
| Special Inspections | | | \$150,000.00 | |
| Sewer | | | | |
| Land | | | | |
| | | | \$180,000.00 | \$180,000.00 |
| Construction Cost | | | | |
| Basic Building | 52,000 | \$280.00 | \$14,560,000.00 | |
| Site Development | | | \$400,000.00 | |
| Demolition | | | \$ | |
| Upfit | | | | |
| Sponsorship Sharing | | | | |
| Construction Cost Total | | | \$14,960,000.00 | |
| Inflation (5% per yr) | 1.5 | 0.0% | | |
| Inflated Construction Cost Total | | | | \$14,960,000.00 |
| Furniture and Equipment | | | | |
| Technology | 52,000 | \$13.00 | \$676,000.00 | |
| Furniture | \$14,560,000 | 6.0% | \$873,600.00 | |
| Total Construction Cost | | | \$16,509,600.00 | \$16,509,600.00 |
| Soft Costs | \$16,509,600.00 | 13.00% | \$2,146,248.00 | \$2,146,248.00 |
| Contingency @5% | | 5.00% | | \$825,480.00 |
| TOTAL ESTIMATED COST | | | | \$19,661,328.00 |
| **Budget does not include instructional materials | | | | |
| SOURCES | | | | |
| Tax Credit Donation (Estimated range) | | | | (\$0.00 to \$3,000,000.00) |
| Fundraising | | | | (\$1,000,000.00) |
| SUB-TOTAL | | | | \$15,661,328.00 to \$18,661,328.00 |
| Cost of Issuance | | | | \$600,000.00 |
| Total Borrowed Amount | | | | \$16,261,328.00 to \$19,261,328.00 |

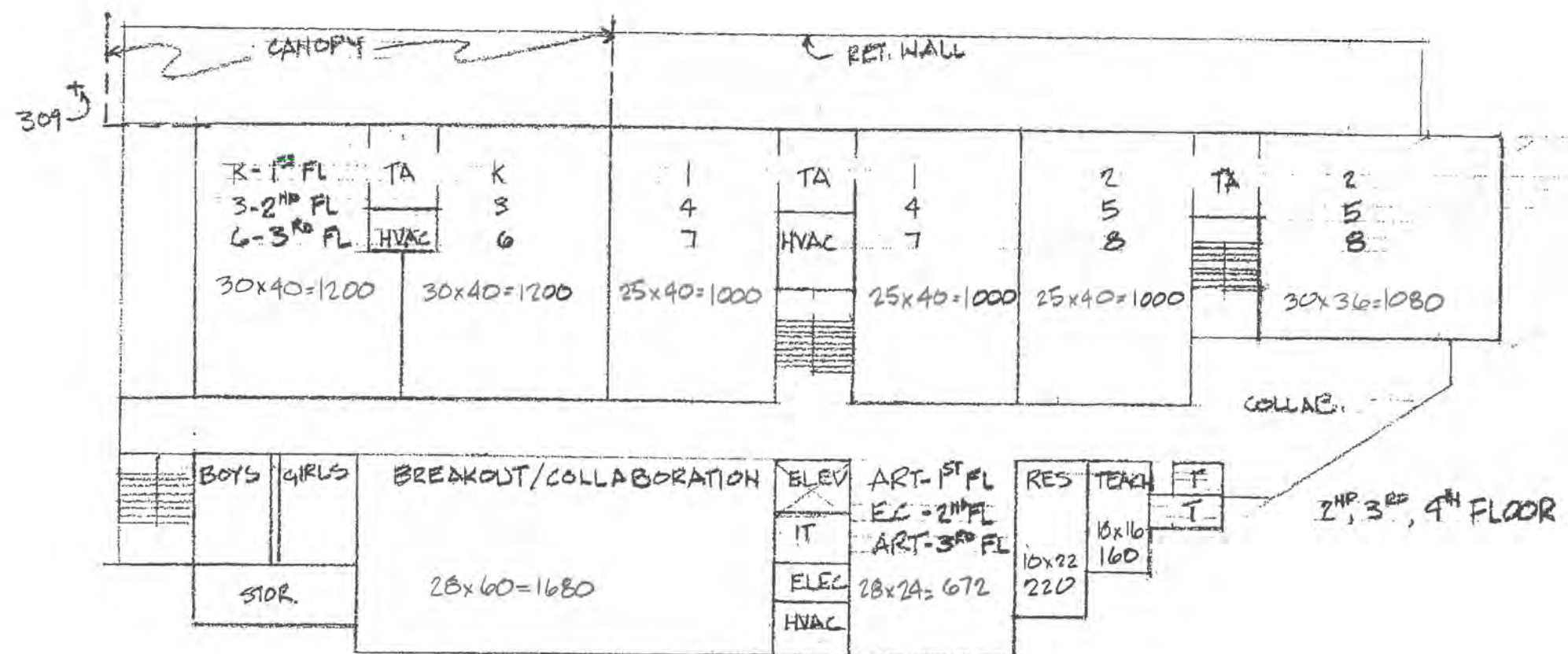
- Budget does not include solar panels.

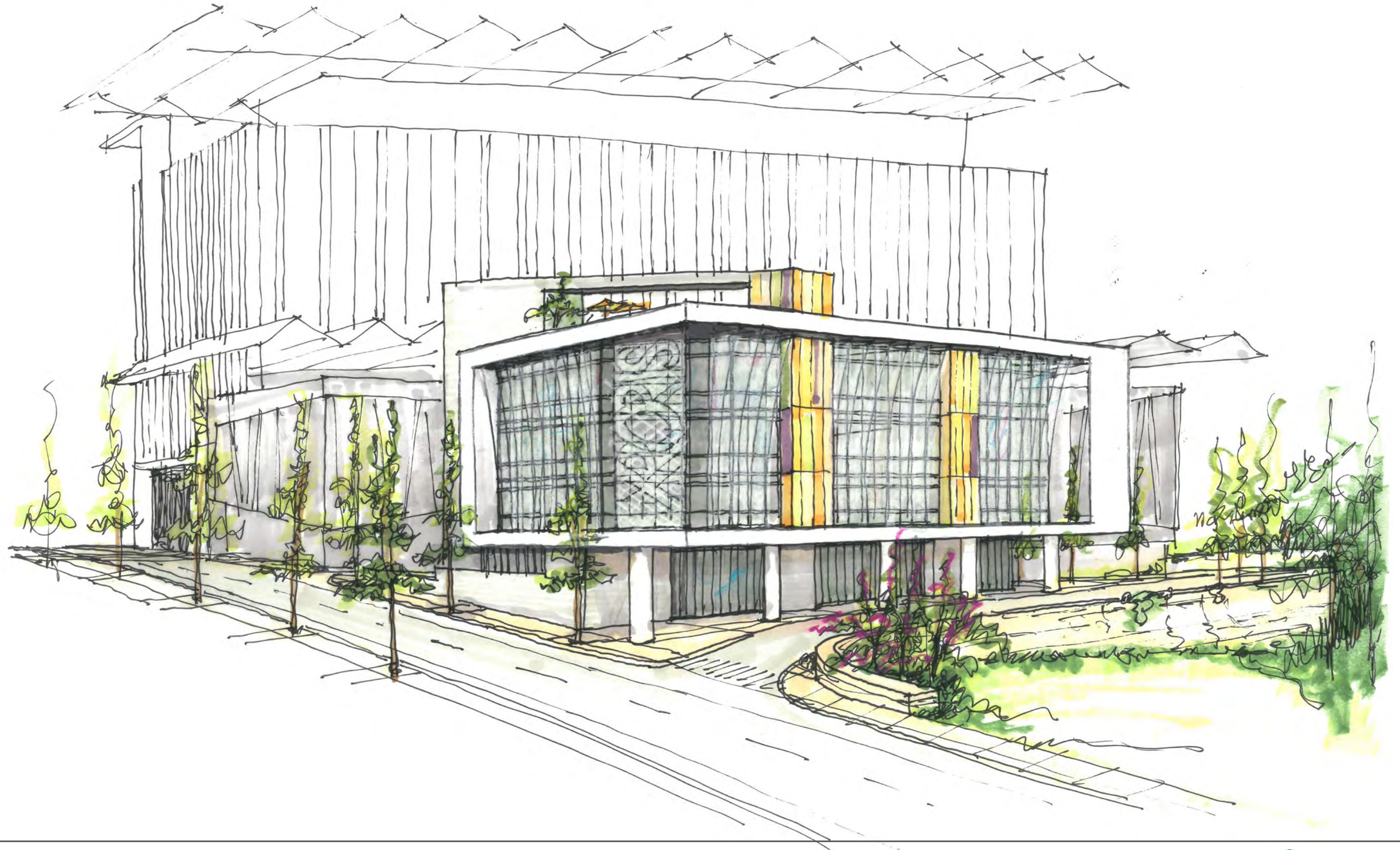




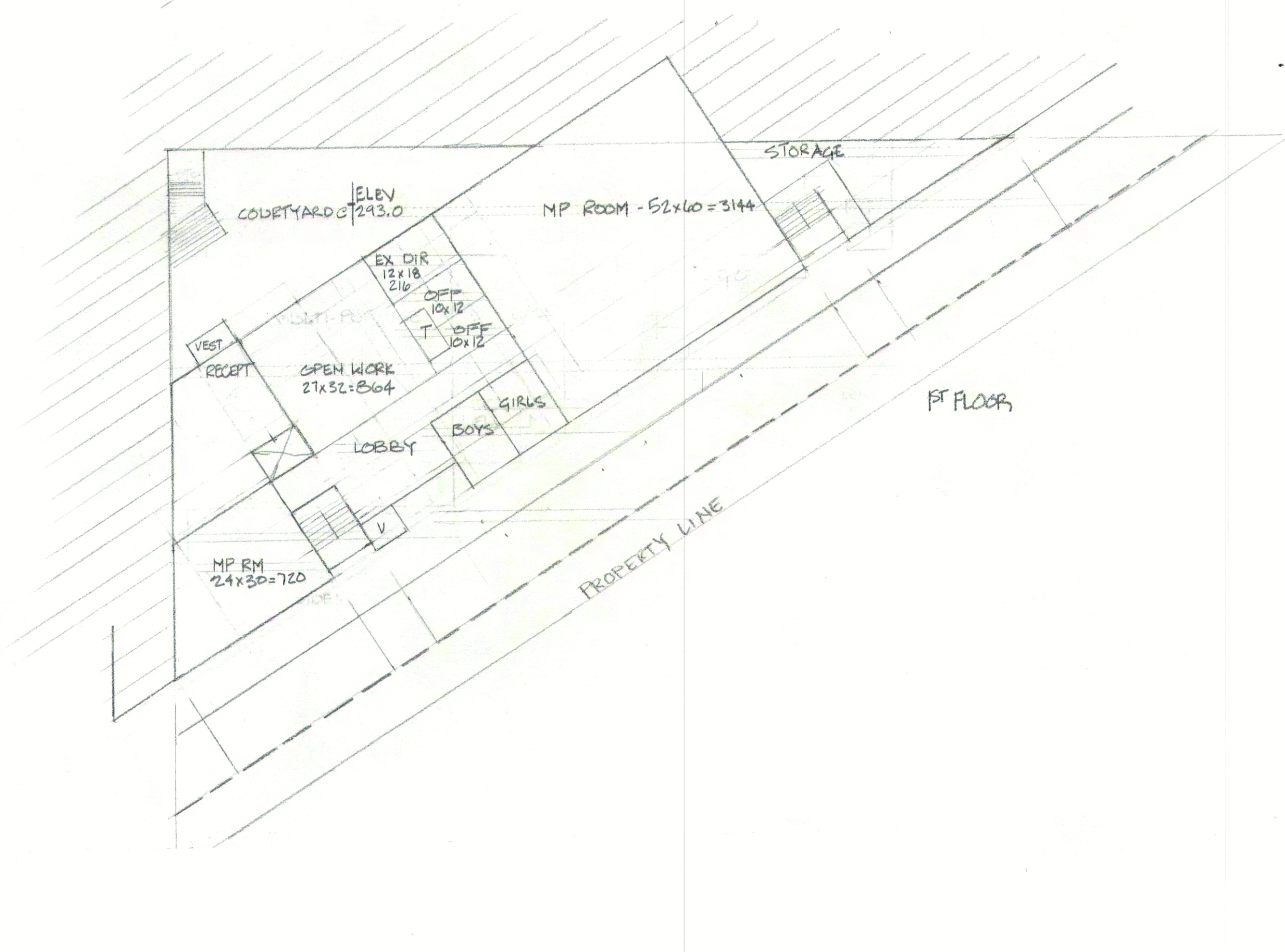
CONCEPT ONE - RENDERING







CONCEPT TWO - RENDERING



CONCEPT TWO: FIRST FLOOR

